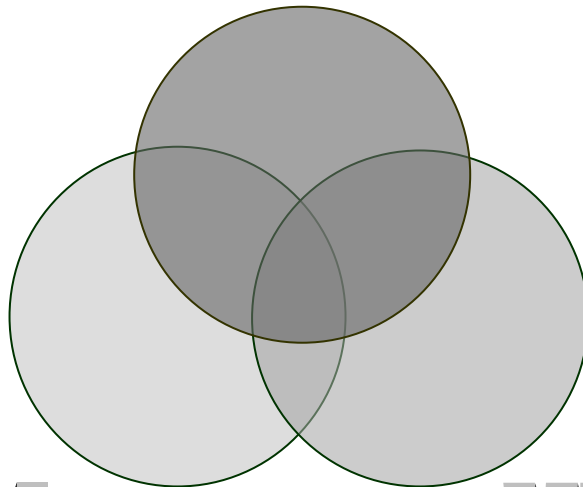


# Consolidated Benefits

Health



Dental

Vision

2010

*For Excluded Employees and Eligible Represented Employees in  
Bargaining Units 2, 7, 8, 16, 17, 18 and 19*

# Consolidated Benefits

## Overview

**As an employee for the State of California, you have the opportunity to select your health and dental benefits from a variety of plan options offered by the State. You choose the plans and coverage levels that best meet your needs.**

**Depending on your plan choices, you share the cost of those benefits with the State.**

**Under Consolidated Benefits (CoBen), which is part of the State's FlexElect Program, the State will provide you with a total benefit allowance, rather than providing specific contribution amounts for your health, dental, and vision benefits. Depending on the total cost of the benefit plans you choose, CoBen may allow you to receive additional taxable income each month, which you can use to offset out-of-pocket premium costs.**

**This brochure offers you valuable information so that you can make the most out of the CoBen Program.**

## Who is Eligible

**Eligibility for CoBen is determined through the collective bargaining process for represented employees. Current bargaining units participating in CoBen are units 2, 7, 8, 16, 17, 18, and 19. All employees classified as excluded, exempt (except Judicial Council employees, Judges and Justices), and confidential are eligible.**

## Making Changes to Your Current Benefit Elections

September 14 - October 09, 2009, is the open enrollment period for this year. During this time, you have the opportunity to:

- Enroll for the first time
- Change your health and/or dental plan
- Elect CoBen Cash in lieu of your health and dental coverage or your health coverage only
- Add or delete eligible dependents covered by your health and/or dental plans.

## How CoBen Works

It's simple. First, identify the amount of your CoBen allowance. This is the amount the State will provide you to pay the premiums for the health and dental plans you select and the State vision plan. The amount of your CoBen allowance depends on whether you're covering yourself only, or dependents too.

Next, choose the benefit plans that best meet your needs. The table on page 9 shows the premium cost of each plan. Then, total the cost of the plans you've selected and compare it to your CoBen allowance.

- ☐ If the total cost of the plans you choose is less than your benefit allowance, you'll receive the difference as taxable cash (excess cash) in your paycheck. The excess cash amount will be subject to state, federal, and social security taxes. In order to receive excess cash, you must be enrolled in health, dental, and vision.
- ☐ If you're not enrolled in all three benefits, then you will not be eligible to receive excess cash.
- ☐ If you elect to receive cash in lieu of your State-sponsored health plan but enroll in a State-sponsored dental plan, then the benefit allowance will be the amount of your dental and vision premium. In this situation, you will

receive cash in lieu of health, and the your dental and vision premium will be fully paid. You will not have an out-of-pocket dental and vision premium cost.

- ☐ If you are enrolled in health and vision only, then the premium amount that would be deducted from your allowance for dental is applied to reduce your out of premium pocket cost.
- ☐ If the total cost of the plans you've chosen is *more than* your CoBen allowance, you will pay the difference with pre-tax dollars, which will be automatically deducted from your paycheck. This amount is not subject to state, federal, Social Security, or Medicare taxes.
- ☐ If the total cost of the plans you have chosen is *equal to* your CoBen allowance, you will pay nothing, and you'll receive no cash back.

You make the most out of your participation in CoBen by making cost-effective benefit choices, which can result in extra money for you each month in your paycheck. It's also important that you carefully consider your choices to ensure they will meet your ongoing health and dental needs and those of your eligible dependents.

***And remember that when making your plan choices, that your enrollment in a health plan, specifically the health plan party code you select (1, 2 or 3), will determine the total CoBen allowance amount when enrolled into all three benefits.***

## COBEN Contributions

### Represented Employee CoBen Allowance

Allowance amounts for represented employees may be subject to change based on any changes in Memorandums of Understanding (MOU) and are also subject to union ratification and legislative approval. For the most current information, review your MOU or the DPA web site at [www.dpa.ca.gov](http://www.dpa.ca.gov).

As of the date of this publication, the following rates will be effective January 1, 2010. However, the collective bargaining process is fluid and changes may be agreed to which alter these amounts. DPA will notify you if there are subsequent changes to these rates.

### \*Health Dependent Vesting Criteria

New employees who have never had State health benefit coverage may be subject to health dependent vesting. Employees in bargaining units that have contracted for health dependent vesting are provided with 50% of the employer dependent contribution the first 12 months, and 75% of the

employer dependent contribution for months 13 through 24. After 24 months, these employees will receive the full employer dependent contribution applicable to their bargaining unit. Please refer to the appropriate collective bargaining agreement for the specific criteria for determining if an employee is subject to health dependent vesting.

**The CoBen allowances for BU 2 employees who are not subject to health dependent vesting are as follows:**

<b>Units 2*</b>	<b><u>2009</u></b>	<b><u>2010</u></b>
Employee only	\$439	\$439
Employee plus one Dependent	\$836	\$836
Employee plus two or more dependents	\$1,084	\$1,084

**The CoBen allowances for BU 2 employees who are subject to health dependent vesting are as follows:**

<b>Units 2*</b>	<b><u>50% Vesting 2010</u></b>	<b><u>75% Vesting 2010</u></b>
Employee only	\$439	\$439
Employee plus one Dependent	\$651	\$744
Employee plus two or more dependents	\$790	\$937

**The CoBen allowances for BU 7 and 18 employees who are not subject to health dependent vesting are as follows:**

<b>Units 7 and 18*</b>	<b><u>2009</u></b>	<b><u>2010</u></b>
Employee only	\$416	\$416
Employee plus one Dependent	\$813	\$813
Employee plus two or more dependents	\$1,061	\$1,061

**The CoBen allowances for employees in BU 7 and 18 who are subject to health dependent vesting are as follows:**

<b>Units 7 and 18*</b>	<b><u>50% Vesting 2010</u></b>	<b><u>75% Vesting 2010</u></b>
Employee only	\$416	\$416
Employee plus one Dependent	\$628	\$721
Employee plus two or more dependents	\$767	\$914

**The CoBen allowances for BUs 16,17, and 19 employees who are not subject to health dependent vesting are as follows:**

<b>Units 16,17, and 19*</b>	<b><u>2009</u></b>	<b><u>2010</u></b>
Employee only	\$427	\$441
Employee plus one Dependent	\$837	\$865
Employee plus two or more dependents	\$1,096	\$1,134

**The CoBen allowances for BUs 16,17, and 19 employees who are subject to health dependent vesting are as follows:**

<b>Units 16,17, and 19*</b>	<b><u>50% Vesting 2010</u></b>	<b><u>75% Vesting 2010</u></b>
Employee only	\$441	\$441
Employee plus one Dependent	\$668	\$767
Employee plus two or more dependents	\$818	\$976

**The following CoBen Unit does not have health dependent vesting:**

<b>Unit 8</b>	<b><u>2009</u></b>	<b><u>2010</u></b>
Employee only	\$450	\$466
Employee plus one Dependent	\$861	\$890
Employee plus two or more dependents	\$1,120	\$1,158

**The CoBen allowance for Excluded employees is determined by DPA. Effective January 1, 2009, the CoBen allowances for all excluded employees are as follows:**

<b>Excluded Employee CoBen Allowance</b>	<b>2009</b>	<b>2010</b>
Employee only	\$452	\$468
Employee plus one dependent	\$872	\$902
Employee plus two or more dependents	\$1,133	\$1,172

### ***Cash Option***

There are two possible ways to receive CoBen Cash in your paycheck. If the premiums for your health, dental, and vision coverage add up to less than your total CoBen allowance, you will receive the excess as CoBen Cash in your paycheck. If you have coverage through another source, such as your spouse, you may opt to receive cash in lieu of both your health and dental coverage or for your health coverage only. To receive CoBen Cash in lieu of benefits, you must complete the CoBen Cash Enrollment Election Form.

These payments are considered taxable income and are as follows:

- \$155 — if you decline both the State-sponsored health and dental plans
- \$130 — if you decline only the State-sponsored health plan

Note: You will not receive any CoBen Cash if you decline dental coverage only.

**CoBen Cash payments are included with your regular paycheck and are subject to the same payroll taxes (federal, state, and social security) as your regular salary. However, CoBen Cash payments are not considered compensation for retirement purposes. This additional cash is reported on your W-2 statement in the same tax year you received the CoBen Cash payment.**

### ***Permanent Intermittent Employees (PIs) Enrolled in CoBen Cash***

If you're a permanent-intermittent employee and want to receive cash in lieu of your health and dental coverage or health coverage only, you must enroll each plan year you want to participate. You must complete the enrollment form (STD. 702)

during open enrollment, or as "newly eligible" after open enrollment but prior to January 1.

In order to receive the cash payment, you also must meet all the following criteria:

- be eligible to enroll in health and dental insurance as of January 1, 2010 (i.e., you qualified in the July 1– December 31, 2009 control period);
- have a permanent-intermittent appointment from January 1, 2010, through June 30, 2010; and
- be paid for at least 480 hours worked from January through June 2010.

If you're appointed to a permanent position with a time base of half-time or more, you lose eligibility for the PI cash payment. If you want to enroll as a newly eligible permanent employee, you must complete a new STD. 702 within 60 days after your appointment.

### ***Lump sum payment***

If you enroll in a cash option for health and dental benefits or health benefits only as a permanent-intermittent employee, you will receive your payment in a lump sum. The amount is for the period of January through June; you are not eligible for the cash option for the July through December period. After June 30, 2010, once your Personnel Office certifies your eligibility based on the criteria listed above, you will receive your cash option payment as follows:

- \$780 in lieu of health benefits;
- \$930 in lieu of health and dental benefits.

These payments are made within 60 days after the State Controller's Office receives the certification from your personnel office.

## **Dental Coverage**

It is important for you to keep in mind that the choice you make for your dental coverage -- whether to keep your State-sponsored dental coverage or receive cash in lieu of dental coverage -- is a three-year commitment. This means:

1) If you enroll in the Cash Option for health only and enroll in a State dental plan, you must remain in a State dental plan for three years, unless you experience a valid "permitting event" under the CoBen Program. (See page 7 for a list of permitting events.)

2) If you enroll in the Cash Option for health and dental, you may not cancel your dental Cash Option for three years, unless you lost your other dental coverage, or you canceled both your health and dental CoBen Cash during an open enrollment period, or due to a valid permitting event under the CoBen Program. After completing the three-year commitment, employees may enroll in a dental plan during the open enrollment period.

## **Vision Coverage**

All employees are automatically enrolled in the State's vision plan. Therefore, you need to add in the cost of this coverage when calculating the total cost of your benefits.

For employees in CoBen, enrollment in the vision plan is mandatory.

## **Cost of Premiums Only**

If you elect to receive cash in lieu of your State-sponsored health plan but enroll in a State-sponsored dental plan, then your benefit allowance will be the amount of your dental and vision premium. In this situation, you will receive cash in lieu of health, and your dental and vision premiums will be fully paid. You will not have an out-of-pocket dental and vision premium cost.

**This means** you will not receive the difference between the cost of the premiums and the total allowance applicable to you. Your allowance amount, when not enrolled in all three benefits, is only that amount for the cost of the premiums or the total allowance, whichever is less.

## **Changes Allowed Due to Permitting Events**

Your CoBen choices, whether for health and dental benefits, or for cash in lieu of health or health and dental benefits, are in effect for your entire period of participation. Your period of participation begins with the effective date of your enrollment and ends on December 31 of each year, or sooner if you leave active pay status or cancel your enrollment. You may not change or cancel your CoBen choices during the year unless you experience a valid permitting event, listed on the next page.

## **Changes in Status ("Permitting Events")**

If you experience a change in status that's listed on the chart on page 7, you're permitted to take the action that's listed next to that change.

**Remember that you have 60 days following the date of your status change to take the corresponding action.** Your completed form(s) must be received at the State Controller's Office by the 10th of the month to be effective on the first of the following month.

In addition to the permitting events listed on page 7, here are some other payroll status changes and how they affect your CoBen cash enrollment:

**Non-Industrial Disability Insurance (NDI):** If you go on NDI while enrolled in the CoBen cash option, your monthly cash option payment remains in effect and will be reflected on your NDI check.

### **Industrial Disability Leave (IDL) and Temporary Disability (TD):**

If you go on IDL or TD while enrolled in the CoBen cash option, your enrollment remains in effect. You will receive a separate check for your cash option, issued about a week after your IDL or TD check.

### **State Disability Insurance (SDI) for employees in Bargaining Unit 17 (only):**

If you go on SDI while enrolled in the CoBen cash option, your enrollment will stop while you are on leave. If you return to pay status in the same CoBen plan year, your enrollment will resume.

### **Unpaid Leave of Absence:**

If you are on an unpaid leave of absence while enrolled in the CoBen cash option, your enrollment will stop while you are on leave. If you return to pay status in the same CoBen plan year, your enrollment will resume.

**Military Leave:**

If you are called to active duty pursuant to Government Code Section 19775.18, for the War on Terrorism, you are eligible to retain your State benefits for up to 365 calendar days above the 180 calendar days provided by GC Section 19775.17. If you are currently receiving CoBen Cash in lieu of health and dental, or health only benefits, you may continue to receive the cash for the duration of your military leave, not to exceed the time limits mentioned above. Military Leave is not a permitting event to newly enroll into the CoBen Cash Program.

***If Your Status Changes***

Once you enroll in a cash option, you can't cancel or change your enrollment during the plan year (January 1 through December 31) unless you experience a change in status, called a "permitting event." See page 7 for a complete list of status changes that permit you to cancel or change your enrollment.

***If you're enrolled in a cash option when you retire, your cash option will stop automatically.***

**You will need to take the following actions to protect your benefits:**

If enrolled in the cash option for health benefits: You have 30 days prior to or 60 days following the date of your retirement to enroll in California Public Employees' Retirement System (CalPERS) health plan. If you don't enroll within this time period, you must wait until the next health open enrollment. Your enrollment at that point would be handled through CalPERS. If enrolled in the cash option for dental benefits: You have 30 days prior to or 60 days following the date of your retirement to enroll in a dental plan.

If you don't enroll within this time period, you must wait until the next dental open enrollment. If you enroll prior to retirement, your dental enrollment will be processed through your personnel office. If you enroll following retirement, your enrollment is handled through CalPERS.

## ***Permitting Events***

Canceling or changing your CoBen Cash and/or CoBen choices is permitted only under the following circumstances (called "permitting events"). All changes, cancellations, and enrollments **must** be taken within 60 days of the date of the permitting event.

<b>Permitting Event</b>	<b>Action Allowed</b>
Initial appointment to state service	You may enroll as newly eligible.
Marriage	You may enroll as newly eligible or, if currently enrolled, you may change/cancel your CoBen choices.
Divorce (date of final divorce), legal separation, annulment	You may enroll as newly eligible or, if currently enrolled, you may change/cancel your CoBen choices.
Birth, adoption or child placed for adoption	You may enroll as newly eligible or, if currently enrolled, you may change/cancel your CoBen choices.
Death of spouse or domestic partner	You may enroll as newly eligible or, if currently enrolled, you may change/cancel your CoBen choices.
Loss of medical and/or dental coverage provided through spouse, domestic partner, or other source due to an employment status change	If you are currently enrolled in the CoBen Cash option, you may cancel/change your CoBen Cash choices.
Medical/dental plan is no longer available	If you are currently enrolled, you may cancel/change your medical/dental plans. No new enrollments are allowed.
Moving out of a group practice plan service area	You may cancel/change your CoBen choices, however, no new enrollments are allowed. If your plan is no longer available, you may enroll in a new plan.
New health and/or dental plan(s) in area where none was previously available	You may change to the new health and/or dental plan. New enrollments are not allowed.
Addition or deletion of dependents on health and/or dental plans	If permissible under CalPERS for health and DPA for dental, you may change the party code on your health and/or dental plans.
Commencement of medical and/or dental coverage provided through spouse, domestic partner, survivor benefits, or other source, due to an employment status change	May enroll in cash option as newly eligible or, if currently enrolled, may cancel/change CoBen cash option

## CoBen - What it Means to You

How CoBen affects you will depend on your personal situation and the benefit plans you choose. Remember that CoBen offers you the opportunity to move money among benefit choices in order to maximize the total benefit allowance the State provides to you, or receive additional taxable monthly income under the circumstances described previously.

premium costs deducted from your paycheck or be eligible to receive CoBen Cash in your paycheck each month. An automated calculation worksheet is available at the Department of Personnel Administration's (DPA) Web site at [www.dpa.ca.gov](http://www.dpa.ca.gov) (click on Benefits and then click on Consolidated Benefits).

The following worksheet will help you calculate whether you will have monthly out-of-pocket

### Calculating Your Cost or Savings

1. Enter the amount of your CoBen allowance. Refer to chart on page 3-4 \$ \_\_\_\_\_

2. Refer to the **2010 Benefit Plan Premiums** table on page 9, identify your health and dental plans, and enter their total premium costs.

Health Plan — (plan name) \_\_\_\_\_ (total premium) \$ \_\_\_\_\_

Dental Plan — (plan name) \_\_\_\_\_ (total premium) \$ \_\_\_\_\_

Vision Plan .....\$ 9.19

3. Total cost of your premiums ..... \$ \_\_\_\_\_

4. Subtract the total cost of your premiums (Line 3) from your CoBen allowance (Line 1)..... \$ \_\_\_\_\_

If the amount on line 4 is a positive number, you'll receive this amount of taxable income each month. It will be noted on your paycheck as CoBen Cash. If the amount is a negative number, this is your net monthly out-of-pocket premium cost for the benefits you've selected. This amount will be deducted from your paycheck on a pre-tax basis.

## 2010 Benefit Plan Premiums

### Health Plans

	<b>1 PARTY</b> (Employee only)	<b>2 PARTY</b> (Employee + 1 dependent)	<b>3 PARTY</b> (Employee + 2 or more dependents)
Blue Shield Access+ HMO	\$517.09	\$1,034.18	\$1,344.43
Blue Shield Net Value HMO	447.82	895.64	1,164.33
Kaiser	494.99	989.98	1,286.97
Kaiser Out-of-State	724.69	1,449.38	1,884.19
PERS Choice (PPO)	487.25	974.50	1,266.85
PERSCare (PPO)	831.50	1,663.00	2,161.90
PERS Select	454.87	909.74	1,182.66
PORAC	484.00	906.00	1,151.00
CAHP***	447.42	874.07	1,142.22
CCPOA			
(CCPOA No. Cal.)	478.77	958.45	1,293.62
(CCPOA So. Cal)	394.98	790.85	1,068.26

### Dental Plans

	<b>1 PARTY</b> (Employee only)	<b>2 PARTY</b> (Employee + 1 dependent)	<b>3 PARTY</b> (Employee + 2 or more dependents)
<i>Delta Dental Plans</i>			
Delta Dental Premier (Basic)*	\$51.87	\$ 92.08	\$134.00
Delta Dental Premier (Enhanced)**	\$54.04	\$108.32	\$152.97
Delta PPO	\$44.07	\$ 87.23	\$132.08
<i>Pre-Paid Dental Plans</i>			
SafeGuard (Standard)*	\$16.58	\$26.86	\$37.62
SafeGuard (Enhanced)**	\$16.92	\$28.63	\$35.27
DeltaCare USA	\$17.35	\$28.47	\$39.38

\*Available to represented employees

\*\*Available to excluded employees

### VISION PLAN

Vision Service Plan	\$9.19	\$9.19	\$9.19
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\*\*\*For further information on CAHP plan premiums, CAHP members please contact the CAHP directly. Health plan rates shown are subsidized rates for supervisory (S05) or managerial (M05) employees enrolled in the CAHP HBT Prudent Buyer Basic Plan.

<http://www.documents.dgs.ca.gov/osp/pdf/std702.pdf>